

IN THE SENATE

SENATE BILL NO. 1076

BY LOCAL GOVERNMENT AND TAXATION COMMITTEE

AN ACT

1 RELATING TO INCOME TAXATION; AMENDING CHAPTER 30, TITLE 63, IDAHO CODE, BY
2 THE ADDITION OF A NEW SECTION 63-3029N, IDAHO CODE, TO ESTABLISH PROVI-
3 SIONS FOR AN INCOME TAX CREDIT FOR PRIVATE SCHOOL TUITION PAYMENTS FOR
4 QUALIFIED DEPENDENT CHILDREN OF AN INDIVIDUAL TAXPAYER; AND DECLARING
5 AN EMERGENCY AND PROVIDING RETROACTIVE APPLICATION.
6

7 Be It Enacted by the Legislature of the State of Idaho:

8 SECTION 1. That Chapter 30, Title 63, Idaho Code, be, and the same is
9 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
10 ignated as Section 63-3029N, Idaho Code, and to read as follows:

11 63-3029N. PRIVATE SCHOOL TUITION. (1) For taxable years commencing on
12 or after January 1, 2023, there shall be allowed to an individual taxpayer a
13 nonrefundable credit against taxes imposed by this chapter for tuition paid
14 by the taxpayer for a qualified dependent child of the taxpayer who is at-
15 tending an accredited private school in Idaho offering any level of instruc-
16 tion between kindergarten and grade 12 during the taxable year. A school
17 shall be deemed accredited pursuant to this section if it has been accredited
18 according to the accrediting standards promulgated by the Idaho department
19 of education or the Idaho state board of education.

20 (2) As used in this section, a "qualified dependent child" also in-
21 cludes the plural term and means an individual who:

22 (a) Qualifies as a dependent of the taxpayer under section 152 of the
23 Internal Revenue Code;

24 (b) Is taken as a deduction on the taxpayer's Idaho income tax return;

25 (c) Is a child of the taxpayer, a stepchild of the taxpayer, an individ-
26 ual for whom the taxpayer has been appointed as guardian, or a descen-
27 dant of a child of the taxpayer; and

28 (d) In order to receive the full credit, resides in Idaho for at least
29 two hundred seventy (270) days during the taxable year. If the quali-
30 fied dependent child resides in Idaho for at least one hundred eighty
31 (180) days, but less than two hundred seventy (270) days, the taxpayer
32 shall be allowed a partial credit on a pro rata basis pursuant to rules
33 established by the Idaho state tax commission.

34 (3) If the credit for which the individual income tax return is filed is
35 not claimed for the taxable year, the right thereafter to claim such credit
36 retroactively shall be forfeited in subsequent taxable years.

37 (4) The credit allowed by this section shall be in the amount of the ac-
38 tual tuition paid by the taxpayer to an Idaho school, subject to subsection
39 (2) (d) of this section, up to a combined maximum for all qualified dependent
40 children of the taxpayer of two thousand dollars (\$2,000) per taxable year.

1 SECTION 2. An emergency existing therefor, which emergency is hereby
2 declared to exist, this act shall be in full force and effect on and after its
3 passage and approval, and retroactively to January 1, 2023.